



# How to vote at investment trust general meetings

Saba is relying on investor apathy to threaten seven trusts' continued existence...

Update  
15 January 2025

Twas the week before Christmas, when all through the City;

Not a creature was stirring, not even a Kitty...

When out on the newswire there arose such a clatter;

I sprang from my desk to see what was the matter...

When, what to my wondering eyes should appear through the  
Wintry gusts;

But Saba Capital Management requisitioning general meetings of  
shareholders of seven investment trusts.

Investors might have hoped for a quiet Christmas period, but  
Boaz Weinstein's hedge fund had other ideas, announcing on  
19/12/2024 that it wanted to remove every director on the board  
of seven of the trusts that it holds shares in and replace them with  
people of its choosing.

The seven trusts in Saba's crosshairs, of which the firm owns  
between 18% and 30% of shares in each, are: **Baillie Gifford US  
Growth (USA)**, **CQS Natural Resources Growth & Income (CYN)**,  
**Edinburgh Worldwide (EWI)**, **European Smaller Companies Trust  
(ESCT)**, **Henderson Opportunities Trust (HOT)**, **Herald Investment  
Trust (HRI)** and **Keystone Positive Change (KPC)**.

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One key selling point of investment trusts is the democracy they confer upon shareholders in the form of votes at general meetings. As it's important that shareholders exercise this right, we've compiled a list of when each of these votes take place in the table below.

## Important Voting Dates To Know

INVESTMENT TRUST	MEETING DATE	HL VOTING DEADLINE	II VOTING DEADLINE	AJ BELL VOTING DEADLINE	FIDELITY VOTING DEADLINE
Baillie Gifford US Growth	03/02/2025	7pm, 28/01/2025	6.59pm, 29/01/2025	29/01/2025	27/01/2025
CQS Natural Resources Growth & Income	04/02/2025	7pm, 19/01/2025	6.59pm, 30/01/2025	30/01/2025	28/01/2025
Edinburgh Worldwide	TBC	TBC	TBC	TBC	TBC
European Smaller Companies Trust	05/02/2025	30/01/2025	6.59pm, 30/01/2025	30/01/2025	29/01/2025
Henderson Opportunities Trust	04/02/2025	29/01/2025	6.59pm, 28/01/2025	29/01/2025	28/01/2025
Herald Investment Trust	22/01/2025	7pm, 17/01/2025	6.59pm, 17/01/2025	17/01/2025	15/01/2025
Keystone Positive Change	03/02/2025	28/01/2025	6.59pm, 28/01/2025	29/01/2025	27/01/2025

Source: Company statements, investment platforms



An important detail is that often, investment platforms have an earlier deadline to submit your votes than the date that is highlighted on the circular. Therefore, we've also included the deadlines that are currently known for the four largest platforms.

## What's the detail?

At the meetings, shareholders will be given two resolutions on which to vote. The first resolution proposed by Saba is to remove all current directors of the trusts, the second is to appoint Saba's candidates to replace them.

It seems to us that many of the prospective candidates put forward have connections to Saba. In fact, two work for Saba itself. These include Weinstein himself, who is founder and CIO at Saba, and Paul Kazarian, partner and closed-end fund portfolio manager at Saba.

As USA points out, the husband of one of its prospective candidates, Miriam Khasidy, is a trustee of Saba Capital Income & Opportunities Fund II.

If the votes pass, it's likely that the new board will propose that Saba be installed as the new investment manager of each trust. It sounds like if this happens, they will want to manage each fund in a similar way as Saba's CEFS exchange traded fund, which actively invests in discounted closed-end funds. It's possible that some or all of the trusts Saba takes over may be merged in order to be run in this way.

This would be a huge departure from the initial aims of each of the investment trusts targeted, which all have well-defined and well-known investment strategies.

It's worth putting some numbers to Saba's track record, which we'll steal unashamedly from USA's statement: **Baillie Gifford US Growth Trust - Notice of Requisitioned General Meeting Circular**. You can see from the table below that while over three years CEFS has performed well, over all other timeframes outlined it has underperformed. Its ongoing charge is also almost twice as high.

In addition, the two US-listed investment companies that Saba manages have traded at average discounts of 7.8% and 10.3% since Saba took over their management, suggesting that those discounts are entrenched.

	SINCE USA'S IPO (%)	FIVE YEARS (%)	THREE YEARS (%)	ONE YEAR (%)	ONGOING CHARGES (%)
USA	180.1	100.4	-9.9	56	0.7
CEFS	125.8	78.8	50.2	25.7	1.3

Source: Baillie Gifford

It seems like a safe assumption that British investors who bought USA did so because they wanted exposure to innovative and entrepreneurial companies based in America such as SpaceX or Shopify; while those who bought ESCT wanted exposure to Europe's dynamic smaller businesses such as Van Lanschot Kempen or DFDS.

If that assumption is correct, then shareholders in each of the seven trusts whose continued existence is being threatened by Saba, a US hedge fund looking to extract value most likely by dismembering them and changing their mandates entirely, must vote No to both of Saba's resolutions.

The resolutions which have been put forward need the approval of more than 50% of voting shareholders to pass and so taking heed of this message is particularly important for private investors – who own large stakes in these trusts – because we suspect that Saba is relying on their apathy to force through its resolutions.

Historically, retail shareholders do not vote at general meetings, often because they are unaware of how to do this through their investment platforms. However, the platforms are trying to make it easier, with many having struck up a partnership with the fintech firm Broadridge.

To that end, we thought we would round up how you can vote if you are a shareholder in any of the trusts through the UK's largest investment platforms.

## Hargreaves Lansdown

Hargreaves Lansdown (HL) should notify you about shareholder voting at general meetings by a secure message. You can log into your HL account on the website (not the app) and select either View shareholder meetings, or Messages. Here, you can provide your voting instructions.

You can also contact HL by phone on 0117 321 4173, or send a secure message through the app telling them how you wish to vote on both resolutions.

## interactive investor

interactive investor (ii) says that its customers are automatically enrolled in its voting and information service. This service sends an email to all shareholders of each investment trust automatically when a meeting is announced, unless they have proactively opted out of the service.

The email informs them of the upcoming meeting and provides a link to where they can vote and instructions



on how to vote. Once you're ready to cast your vote, log into your account on the website and click on the Voting mailbox under the Portfolio tab.

You can submit your vote through this portal, or contact ii by phone on 0345 607 6001.

## AJ Bell

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AJ Bell recently launched, via the fintech company Broadridge, a new service enabling customers to submit electronic voting instructions on UK and international shares, as well as investment trusts.

The firm notifies customers of any corporate actions or general meetings taking place where the client is a shareholder via secure message and/or email. They are notified on whether there is a vote taking place that they can participate in.

You can navigate your way to the Broadridge portal from the secure message or email in order to cast your vote.

If you haven't received any emails, log into the AJ Bell website (not the app) and select your investment account. Select Voting instructions from the drop-down menu on the right-hand side and you will be taken to a page outlining a list of upcoming meetings you can vote on. Click Give instruction and you will be taken to the Broadridge portal where you can vote.

If you prefer, you can also contact AJ Bell by phone on 0345 543 2600.

## Fidelity

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Fidelity seems to be the only platform that will only notify you about shareholder votes once you have proactively signed up to the Broadridge UK Voting and Information Rights Service.

To do this, log into your account on the website (not the app) and go to the Preference centre. Select Shareholder voting & information, turn on notifications and follow the activation instructions sent via email.

Once this has been done, you will have access to the Global Voting Portal where you can view the details of any meetings and you can cast your vote from here.

You can also call Fidelity on 0800 41 41 61.

If you hold any of these trusts through different platforms, you can find a handy guide on how to vote [here](#).



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